

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1458

January 22, 2014

SUMMARY OF BILL: Limits to \$10 the amount of the fee that a lender or servicer of high cost home loans may charge a borrower for third or subsequent payoff statements during a 12-month period.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Under current law, a lender or servicer of a high cost home loan must provide a borrower, upon request, two payoff statements free of charge, and is authorized to charge a reasonable fee for any additional requests during a 12-month period.
- Any regulatory or fiscal impact on the Department of Financial Institutions to ensure compliance with this bill will be not significant and can be accommodated within existing resources.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- Based on the analysis of lenders of home loans that are not considered high cost mortgages, current payoff statement fees for statements provided verbally, by fax, or by regular U.S. mail are estimated to be between zero and ten dollars. These amounts are assumed to be similar to the amounts charged for third and subsequent payoff statements by lenders or servicers of high cost home loans.
- As a result, imposing a \$10 cap on the amount that can be charged per payoff statement is not expected to have a significant impact on high cost home loan lenders or servicers' revenue.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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